

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, August 12, 2015, at Suite 104 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Presiding over the meeting was Chairperson Norma Lester. Attending the meeting were board members Kent Coleman, Tom Lawless and Tom Morton. Henry Fincher and Patricia Heim participated via telephone.

Approval of Meeting Minutes

On motion by Lawless, seconded by Coleman, the board voted unanimously to approve the minutes from the May 13, 2015 regular board meeting.

Requests for Reconsideration

C15-03 Vote Yes on 2, LLC, for failure to show original source of campaign contributions. Class two (2), maximum ten thousand (\$10,000) civil penalty per violation. The organization has had no previous matters before the board.

The board voted at its March 11, 2015 meeting to issue the organization a show cause notice.

The board voted at its May 13, 2015 meeting to dismiss the complaint. John Emison, complainant, requested a reconsideration.

On motion by Lawless, seconded by Heim, the board voted unanimously not to reconsider.

14-19 Mary Pruitt, for failure to file a 2013 annual year-end supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Pruitt has had previous matters before the board.

The board voted at its June 11, 2014 meeting to issue Ms. Pruitt a show cause notice.

The board voted at its August 13, 2014 meeting to defer any further action in this matter until the next regularly scheduled meeting and to request that Director Rawlins speak with Ms. Pruitt concerning her campaign account.

The board voted at its September 10, 2014 meeting to assess Ms. Pruitt a \$500 civil penalty. Ms. Pruitt requested a reconsideration of the \$500 civil penalty assessment.

Ms. Pruitt and Dr. Richard L. Hock submitted statements for the board's consideration.

A motion was made by Fincher, seconded by Morton, to reconsider the \$500 civil penalty assessment. The motion to reconsider passed the board 4 to 2, with Heim and Lawless voting "no." A motion was made by Fincher to reduce the civil penalty from \$500 to \$0. The motion died for a lack of a second. A motion was then made by Heim, seconded by Morton, to assess a \$250 civil penalty. The motion to assess Ms. Pruitt a \$250 civil penalty passed the board 5 to 1, with Fincher voting "no."

Show Cause Hearings

15-25 SBC PAC, for failure to timely file a 2014 4th quarter campaign financial disclosure report. Class two (2), 34 days late, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 to issue the organization a show cause notice.

Matthew J. Scanlan, treasurer for the organization, closed the PAC account, submitted a statement and personally appeared before the board.

On motion by Heim, seconded by Lawless, the board voted unanimously to take no action.

C15-29 Williamson PACE (W-PACE), for failure to register as a PAC and report contributions and expenditures with the Williamson County Election Commission. Class two (2), maximum ten thousand (\$10,000) civil penalty per violation. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Courtney Wilbert, representative for the organization, requested that the board defer any further action in this matter until the next regularly scheduled meeting to allow them an opportunity to personally appear before the board.

On motion by Heim, seconded by Lawless, the board voted unanimously to defer any further action in this matter until the next regularly scheduled meeting.

Statements Submitted

15-15 Eddie Bass, for failure to timely file a 2014 year-end supplemental campaign financial disclosure report. Class one (1), 23 days late, maximum five hundred seventy-five (\$575) civil penalty. Mr. Bass has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue Mr. Bass a show cause notice.

Mr. Bass submitted a statement for the board's consideration.

A motion was made by Fincher, seconded by Coleman, to take no further action in this matter. The motion to take no further action failed 3 to 3, with Heim, Lawless and Morton voting "no." A motion was made by Heim, seconded by Lawless, to assess Mr. Bass a \$250 civil penalty. The motion to assess Mr. Bass a \$250 civil penalty passed the board 4 to 2, with Coleman and Fincher voting "no."

15-23 Henderson County Republican Party, for failure to timely file a 2014 4th quarter campaign financial disclosure report. Class two (2), 33 days late, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Melba Johnson, chairman of the organization, submitted a statement for the board's consideration.

On motion by Heim, seconded by Fincher, the board voted 4 to 2 to take no further action in this matter, with Lawless and Morton voting "no."

15-24 Lauderdale County Democratic Party, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Carol Anne Austin, representative for the organization, filed the required report and submitted a statement for the board's consideration. Shea Harris, treasurer for the organization, submitted an affidavit for the board's consideration.

On motion by Heim, seconded by Fincher, the board voted unanimously to take no further action in this matter.

Cases Subject to Approval of Civil Penalty Order

15-16 Bryant Dunaway, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Dunaway has had a previous matter before the board.

The board voted at its May 13, 2015 meeting to issue Mr. Dunaway a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

On motion by Fincher, seconded by Heim, the board voted 5 to 0 to defer any further action in this matter until the next regularly scheduled meeting to allow Mr. Dunaway an opportunity to respond to the show cause notice, with Lester "abstaining."

15-17 Patti Garner, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Garner has had previous matters before the board.

The board voted at its May 13, 2015 meeting to issue Ms. Garner a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

On motion by Lawless, seconded by Morton, the board voted unanimously to assess Ms. Garner a \$1,500 civil penalty.

15-18 Mike Kernell, for failure to file a 2014 year-end supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Kernell has had previous matters before the board.

The board voted at its May 13, 2015 meeting to issue Mr. Kernell a show cause notice.

Director Rawlins informed the board that the report has been filed but that there has been no response to the show cause notice.

On motion by Lawless, seconded by Heim, the board voted 5 to 1 to assess Mr. Kernell a \$250 civil penalty, with Fincher voting “no.”

15-19 Charles K. Smith, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Judge Smith has had a previous matter before the board.

The board voted at its May 13, 2015 meeting to issue Judge Smith a show cause notice.

Judge Smith filed the required report and personally appeared before the board.

On motion by Fincher, seconded by Lawless, the board voted unanimously to take no further action in this matter.

15-20 Joe Towns, Jr., for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board.

The board voted at its May 13, 2015 meeting to issue Rep. Towns a show cause notice.

Director Rawlins informed the board that the report has been filed but that there has been no response to the show cause notice.

A motion was made by Heim, seconded by Lawless, to assess Rep. Towns a \$10,000 civil penalty. The motion to assess Rep. Towns a \$10,000 civil penalty failed the board 3 to 2, with Coleman and Fincher voting “no” and Lester “abstaining.” A motion was made by Heim, seconded by Lawless, to assess Rep. Towns a \$7,500 civil penalty. The motion to assess Rep. Towns a \$7,500 civil penalty failed the board 3 to 2, with Coleman and Fincher voting “no” and Lester “abstaining.” A motion was then made by Lawless, seconded by Heim, to assess Rep. Towns a \$3,500 civil penalty. The motion to assess Rep. Towns a \$3,500 civil penalty passed the board unanimously.

15-21 Cheatham County Republican Party, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

A motion was made by Lawless, seconded by Morton, to assess the organization a \$3,500 civil penalty assessment. Lawless then rescinded the motion. A motion was then made by Lawless, seconded by Fincher, to assess the organization a \$1,000 civil penalty. The motion to assess the organization a \$1,000 civil penalty passed the board unanimously.

15-22 Democrats 4 Bradley County, for failure to timely file a 2014 4th quarter campaign financial disclosure report. Class two (2), 42 days late, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that the organization has filed the required report and closed their account but that there has been no response to the show cause notice.

On motion by Fincher, seconded by Heim, the board voted unanimously to take no further action in this matter.

15-26 Tennessee Conservatives Fund, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed. Director Rawlins further informed the board that the organization's PAC account has been administratively terminated for failure to pay the annual PAC fee for 2015.

On motion by Lawless, seconded by Heim, the board voted 5 to 1 to assess the organization a \$150 civil penalty, with Lester voting "no."

15-27 Tennessee Distillers Fund, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that the report has been filed but that there has been no response to the show cause notice. Director Rawlins further informed the board that the organization's PAC account has been administratively terminated for failure to pay the annual PAC fee for 2015.

A motion was made by Heim, seconded by Lawless, to assess the organization a \$150 civil penalty. Heim then withdrew the motion. A motion was then made by Heim, seconded by Lawless, to assess the organization a \$50 civil penalty. The motion to assess the organization a \$50 civil penalty passed the board unanimously.

15-28 Tennessee Students Voting No on 1, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 13, 2015 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

On motion by Heim, seconded by Lawless, the board voted 5 to 1 to assess the organization a \$150 civil penalty, with Lester voting “no.”

Sworn Complaints

Preserve Brentwood

Director Rawlins provided the board with a sworn complaint filed with the Registry from Thomas H. Carr, Jr. against Preserve Brentwood.

On motion by Lawless, seconded by Morton, the board voted unanimously to defer any action in this matter pending the final decision of the Williamson Strong matter. (Fincher not present at this time.)

Project 912

Director Rawlins provided the board with a sworn complaint filed with the Registry from Roger Abramson against Project 912.

On motion by Lawless, seconded by Morton, the board voted unanimously to defer any action in this matter pending the final decision of the Williamson Strong matter. (Fincher not present at this time.)

Williamson County Homeschool Coalition

Director Rawlins provided the board with a sworn complaint filed with the Registry from Gael Morkel against Williamson County Homeschool Coalition.

On motion by Lawless, seconded by Morton, the board voted unanimously to defer any action in this matter pending the final decision of the Williamson Strong matter. (Fincher not present at this time.)

Cases Considered for Issuance of Show Cause Notice

Lauri Day, for failure to timely file a 2015 mid-year supplemental campaign financial disclosure report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Ms. Day has had no previous matters before the board.

On motion by Lester, seconded by Heim, the board voted unanimously to take no action.

Jason Emert, for failure to file a 2014 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Emert has had no previous matters before the board.

On motion by Lester, seconded by Heim, the board voted unanimously to issue a show cause notice.

Lee Frank, for failure to timely file a 2015 mid-year supplemental campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Frank has had a previous matter before the board.

On motion by Lester, seconded by Heim, the board voted unanimously to take no action.

Jeanne Richardson, for failure to timely file a 2015 mid-year supplemental campaign financial disclosure report. Class one (1), three days late, maximum seventy-five (\$750) civil penalty. Ms. Richardson has had previous matters before the board.

On motion by Lester, seconded by Heim, the board voted unanimously to take no action.

Jim Roberts, for failure to timely file a 2015 mid-year supplemental campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Roberts has had no previous matters before the board.

On motion by Lester, seconded by Heim, the board voted unanimously to take no action.

Discussion of Procedures for Contested Case Hearings

11-55 Artie Smith, for failure to file a 2011 1st quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Smith has had previous matters before the board.

The board voted at its October 12, 2011 meeting to issue Mr. Smith a show cause notice.

The board voted at its January 11, 2012 meeting to assess Mr. Smith a \$10,000 civil penalty. Mr. Smith requested a reconsideration of the \$10,000 civil penalty assessment.

Mr. Smith filed the required report and submitted a statement for the board's consideration.

No action was taken in this matter at the May 13, 2015 board meeting. Mr. Smith requested a Contested Case Hearing in this matter.

Mr. Smith personally appeared before the board.

A motion was made by Lawless, seconded by Morton to proceed with a Contested Case Hearing with an Administrative Law Judge without the Registry board present. A motion was then made by Heim, seconded by Coleman, to reconsider the \$10,000 civil penalty assessment. Heim then withdrew the motion. On motion by Lawless, seconded by Coleman, the board voted unanimously to withdraw the submission of this matter to the Administrative Law Judge. On motion by Heim, seconded by Lawless, the board voted unanimously to reconsider the \$10,000 civil penalty assessment. A motion was made by Heim, seconded by Coleman, to assess Mr. Smith a \$100 civil penalty. The motion to assess Mr. Smith a \$100 civil penalty assessment failed the board 3 to 3, with Fincher, Lawless and Morton voting "no." A motion was then made by Lawless, seconded by Morton, to assess Mr. Smith a \$250 civil penalty. The motion to assess Mr. Smith a \$250 civil penalty passed the board 4 to 2, with Fincher and Heim voting "no."

C15-01 Williamson Strong, for failure to register as a PAC and report contributions and expenditures with the Williamson County Election Commission. Class

two (2), maximum ten thousand (\$10,000) civil penalty per violation. The organization has had no previous matters before the board.

The board voted at its January 14, 2015 meeting to issue the organization a show cause notice.

The board voted at its March 11, 2015 meeting to defer any further action in this matter until the next regularly scheduled meeting.

The board voted at its May 13, 2015 meeting to assess the organization a \$2,500 civil penalty for failure to register as a PAC and a \$2,500 civil penalty for failure to report contributions and expenditures. The organization requested a Contested Case Hearing in this matter.

A motion was made by Lawless, seconded by Morton to proceed with a Contested Case Hearing with an Administrative Law Judge without the Registry board present.

Audit Review

Charles Brown

On motion by Heim, seconded by Coleman, the board voted unanimously to approve Mr. Brown's 2014 campaign finance audit with the included finding.

Gary Wade

On motion by Heim, seconded by Coleman, the board voted unanimously to approve Judge Wade's 2014 campaign finance audit with the included findings.

Other Business

Without objection, the board voted unanimously to schedule the next Registry meeting for October 14, 2015 at 10:30 a.m.

On motion by Lawless, seconded by Heim, the board voted unanimously to adjourn the meeting until the next regularly scheduled meeting.